

EXTENDING JURISDICTION OF COURT OF CLAIMS.

LETTER

FROM

THE ATTORNEY GENERAL,

TRANSMITTING

Documents relative to the extension of the jurisdiction of the Court of Claims, and for other purposes.

MAY 18, 1876.—Referred to the Committee on Patents.

MAY 29, 1876.—Ordered to be printed.

DEPARTMENT OF JUSTICE,
Washington, May 17, 1876.

SIR: The Attorney-General, acknowledging the receipt of a letter of the 6th instant addressed to him by Hon. Samuel A. Dobbins, chairman of the Subcommittee on Patents, has the honor to return herewith Document No. 158, referred to in said letter, and bill No. 3171, the same being a substitute for House bill 2865, "extending the jurisdiction of the Court of Claims, and for other purposes." He has noted upon the bill itself the alterations and amendments which he desires to suggest.

In compliance with the request of Mr. Dobbins, a copy of the letter of the Secretary of War to the Attorney-General of October 16, 1875, and a copy of the answer thereto from this Department, dated October 19, 1875, are forwarded herewith.

Very respectfully, your obedient servant,

EDWARDS PIERREPONT,
Attorney-General.

Hon. M. C. KERR,
Speaker of the House of Representatives.

HOUSE OF REPRESENTATIVES,
ROOM OF COMMITTEE ON PATENTS,
May 6, 1876.

SIR: I inclose herewith Executive Document No. 158, Forty-fourth Congress, first session, House of Representatives, and respectfully request you to examine the same, especially so a bill (No. 2865) "extending the jurisdiction of the Court of Claims, and for other purposes,"

which you will please find on pages 2, 3, 4, and 5 of such document No. 158.

That bill is now pending before the Committee on Patents, and has been referred to a subcommittee, of which I am chairman.

It has been thought best to submit this bill to you for your opinion on the matters contained therein.

The reason why the committee do so you will find on pages 6 and 7 of the inclosed document No. 158 in a letter dated October 11, 1875, from the Chief of Ordnance to the honorable Secretary of War. Will you please forward a copy of your answer to the above-named letter in your answer to this; also of the letter of Secretary of War to the Attorney-General, inclosing the letter of October 11, 1875?

If you have any amendments to the bill to suggest please do so, as the committee desire to act understandingly in the matter so as to have a bill that shall protect the citizen-inventor and the Government in all the rights and privileges that belong to each. An early answer is desired and solicited.

Very respectfully, your obedient servant,

SAMUEL A. DOBBINS,

Chairman of Subcommittee on Patents.

Hon. ATTORNEY-GENERAL of the United States.

HOUSE EX. DOC. NO. 158, 44TH CONGRESS, 1ST SESSION.

Letter from the Secretary of War, transmitting letter, &c., from Chief of Ordnance on House bill 2865, relating to infringement on patents.

APRIL 12, 1876.—Referred to the Committee on Patents and ordered to be printed.

WAR DEPARTMENT,

April 11, 1876.

The Secretary of War has the honor to transmit to the House of Representatives, for the information of the Committee on Patents, in response to letter of the 10th instant from Hon. Samuel A. Dobbins, chairman of Subcommittee on Patents, a letter of the 10th instant from the Chief of Ordnance on House bill 2865, transmitting also an extract from his annual report of 1875 on infringement of patents, and copy of letter of October 11, 1875, to the Secretary of War, on the same subject, with recommendation.

ALPHONSO TAFT,

Secretary of War.

ORDNANCE OFFICE, WAR DEPARTMENT,

Washington, April 10, 1876.

SIR: I have the honor to return House of Representatives bill No. 2865, "extending the jurisdiction of the Court of Claims, and for other purposes," now pending before the House Committee on Patents. I also transmit an extract from my annual report of 1875 on "infringement of patents," and copy of letter to the honorable Secretary of War, dated October 11, 1875, on the same subject.

The provisions of this bill, with the amendments, in writing, interlined and in margin, have my hearty approval, and will, it is believed, relieve the War Department from the great embarrassments which have been frequently brought to the attention of Congress in

previous reports, and give a sure, speedy, and uniform method of settling the claims of patentees against the United States for the use of patents.

In the further interest of patentees and of the United States, I would respectfully recommend two additional amendments, which have been inserted in the margin in red ink, viz: page 2, line 18, after the word "provided," insert "such cases to be preferred causes in said court;" and on page 11, section 12, line 4, after the word "provided," insert "such cases, so appealed, to be preferred causes in said court." These additional amendments are necessary to avoid delay in the determination of said causes.

Respectfully, your obedient servant,

S. V. BENÉT,

Brigadier-General, Chief of Ordnance.

The Hon. the SECRETARY OF WAR.

H. R. 2865.—44TH CONGRESS, 1ST SESSION.

IN THE HOUSE OF REPRESENTATIVES, MARCH 27, 1876.—Read twice, referred to the Committee on Patents, and ordered to be printed.

Mr. MARTIN I. TOWNSEND, on leave, introduced the following bill:

A BILL extending the jurisdiction of the Court of Claims, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That if the Secretary of War, or of the Navy, or of the Treasury, or of the Interior Department, or the Postmaster-General, or any other officer of the United States of America, has used, or shall hereafter use, in the public service, either under or without an express or implied contract, any invention upon which the letters-patent of said United States have been issued or re-issued or extended and renewed, whereby, and by means of which, such service has been, or is, improved or benefited, either in the saving of labor or in the reduction of expenses in the management of Government affairs, or if such service has been, is, or shall be, in any other way or manner improved or benefited, the Court of Claims of the United States is now and hereby vested with full and complete jurisdiction in and over any and all such cases, the same to be brought into and before said Court of Claims, in the manner and for the purposes herein provided; such cases to be preferred causes in said court, and whose duty shall be to hear, investigate, and determine any and all such cases submitted to said court upon pleadings and proofs, in the manner herein provided for it to hear, investigate, and determine, and involving the following questions of fact for the consideration and judgment of said court, to wit:

First. The granting and issuing of the letters-patent, set forth by date and number thereof, and described in the petition or bill of complaint filed in said court in the manner substantially as hereinafter provided; and also the validity of such letters-patent, with the same jurisdiction and power that the circuit court of the United States now has over and upon such matter;

Second. The use of the improvements, invention, and letters-patent thereon in the business and service of said United States, and in what Department, and for what purpose used, and the duration of that use;

Third. The compensation or sum of money to be paid by said United States, upon the evidence submitted, for such use of the improvements, invention, and letters-patent so applied to the public service; and,

Fourth. The right, title, and ownership of the letters-patent specified in the petition or bill of complaint in the manner aforesaid; and to whom the compensation for such use of invention and letters-patent thereon shall be awarded and paid by said United States.

Sec. 2. That in each and all cases where either of the several Departments or any officer of the Government of said United States, have put into use in the service of said Government of the United States any patented invention or improvements, the Cabinet officer at the head of the Department using such patented invention or improvements shall, if requested so to do by the written application of the inventor and original patentee, or his assignee or assignees, or either of them, of the invention so used, and within ten days thereafter, having been first furnished with a duly-verified copy of the petition or bill of complaint containing the facts and the grounds relied upon for recovery against said United States, in the manner herein provided, refer the same to

said Court of Claims for the purposes herein named; whereupon that court shall proceed and take full and complete jurisdiction of each and every matter contained in such verified petition or bill of complaint, in the same manner provided in section one of this act; and shall hear and determine the same, and all matters contained in the answer thereto, in the manner herein provided.

SEC. 3. That if either of the said several Departments have had, have, or shall have in use in the service and business of the United States, any improvements or invention upon which the letters-patent of said United States have been issued, the inventor and original patentee named in the letters-patent, or in any re-issue or any extension and renewal thereof, or any person or persons claiming to be the owner or owners of any interest in such letters-patent by a deed of assignment in writing, duly made and acknowledged before some officer having authority by law to take acknowledgments, and the same of record in the Patent-Office of said United States, the original deed of assignment so made and recorded, or a duly-certified copy thereof, being produced and made a part of the said petition or bill of complaint, may make the said United States defendant, and thusand thereby give the said Court of Claims the jurisdiction contained in section one of this act. The said petition or bill of complaint shall be in writing, and shall be the same, or substantially the same, as a bill in equity in the circuit court of the United States filed against an infringement of any letters-patent in that court, and shall set forth therein all the matters of fact which said Court of Claims is, by this act, required to pass upon and to determine at the final hearing of the case so referred or brought to the jurisdiction of said court, to which the Attorney-General of said United States shall make answer within thirty days next after service upon him of a duly-certified copy of the said petition or bill so made and filed with the clerk of said Court of Claims, and upon the filing of such answer with the clerk of said court, the issues shall be fully joined and the case ready for proofs, to be taken in the manner herein provided.

SEC. 4. That every such petition or bill of complaint shall be signed and sworn to by the petitioner or petitioners aforesaid before a United States commissioner, or a commissioner of said Court of Claims, or before a judge of a court of record having a seal; and the same shall also be signed by the attorney and counsel of record for the petitioner or petitioners in said Court of Claims; and in like manner the answer of the Government of said United States thereto shall be duly signed by the Attorney-General aforesaid in his official capacity. And after the filing of said answer in the manner hereinbefore stated and provided, eight days' notice, exclusive of the day of the service thereof, shall be given to said Attorney-General by said petitioner or by the petitioner's attorney of record in said Court of Claims, of the time and place for the taking of such oral and documentary proofs as are intended to be used in such cause in support of the petition or bill of complaint so made and filed in said court, after which the said Attorney-General shall, in like manner, give notice of the time and place, and shall proceed to take such proofs as he may deem necessary in support of the answer so made and filed by him in the office of the clerk of said court. The proofs or evidence named, as aforesaid, may be taken by and before a United States commissioner or a commissioner of said Court of Claims, or an examiner in equity in the United States circuit court, in the usual manner, and under the same rules as now practiced in patent causes in the said circuit court. After the direct and rebuttal proofs upon each side in any such cause have been taken and filed in the office of the clerk of said Court of Claims, such cause shall be deemed to be ready for argument and final hearing, and thereupon the same shall be put upon the current calendar or trial-docket of said court for such hearing and argument upon the evidence so taken and submitted by both the parties named in the petition or bill of complaint, or by either party thereto upon the default of the other or refusal to take proofs as herein provided; and the same shall then be proceeded with by that court to final judgment and decree in the usual manner established by said court with reference to the making and entering of final decrees and judgments.

SEC. 5. That the said Court of Claims shall fix upon and decree the rate of compensation, and the sum or amount of money to which the aforesaid inventor and original patentee, or his heirs, or assigns, or legal representatives may, upon the proofs, be entitled to have and to receive in the manner claimed in and by such petition or bill of complaint so made and filed in said court, and up to the time of adjudication by said Court of Claims; all of which shall be heard and determined upon the evidence taken and submitted to said court in the manner substantially as hereinbefore provided.

SEC. 6. That any three of the judges of said Court of Claims may, upon the written application of either party named as aforesaid, regulate, by an order in writing, duly signed by them, the time, place, and the manner for the taking of proofs or evidence to be used upon either or both sides in any cause brought within this act into said court in the manner aforesaid, so as to prevent unnecessary expense or delay by either party aforesaid; but due notice thereof shall first be given to the adverse party, and said application may be heard in open court, or at the chambers of the chief justice of

said court; and in like manner upon the written application of either party, such judges may determine upon the time for the trial or final hearing and argument of any such cause so brought into said court.

SEC. 7. That if any person or persons claiming to own the whole or a part interest of the right and title to the invention and letters-patent thereon, by a good and valid deed of an assignment, made, executed, and of record in the manner hereinbefore made and provided, if there be any, who are not joined in such petition or bill aforesaid, shall be made party defendants therein with the said United States and brought into said Court of Claims or required therein to appear upon such notice or order as the said court shall determine and direct; and thereupon the said Court of Claims shall have the same jurisdiction of each and every matter thereof as it has herein and hereby with reference to said inventor and original patentee, and shall hear and determine the same in the manner and with the same force and effect as hereinbefore provided.

SEC. 8. That if in any cause made and filed in the said Court of Claims, in the manner as provided for by this act, anybody shall have a good, sufficient, and valid deed of assignment and transfer of the invention and letters-patent named in the petition or bill of complaint aforesaid, or of any part thereof, and if the same be of record in the United States Patent-Office as by law required, the same if required, or a duly-certified copy thereof, shall be produced in evidence in said Court of Claims by the person or persons holding and owning it, for the inspection and opinion and judgment of said court thereon; and thereupon the said court shall have full jurisdiction of the same and of all matters appertaining thereto, and may, upon evidence duly taken as hereinbefore provided, proceed to hear such cause, and to determine each and every matter that may be at issue or involved in or by the evidence so taken and presented concerning such deed of assignment, and to whom any judgment that may be rendered, decreed, or ordered to be entered against said United States shall be paid; and in case an appeal be taken in the manner provided for in and by section twelve of this act, to the Supreme Court of the said United States, then that court may, in like manner, determine such matter and to whom the said United States shall pay any judgment so made, decreed, and entered by said Court of Claims. But if no such deed of assignment or a duly-certified copy thereof be offered and received in evidence in such cause before the closing of the direct or redirect evidence upon either side therein, then such cause shall be proceeded with, and heard and determined by said court in the manner hereinbefore made and provided. Any person who may have any knowledge or evidence concerning the matters involved in the petition or bill aforesaid, or in the answer thereto, may be examined as a witness, by and in behalf of the parties to such suit, or either of them.

SEC. 9. That any proofs or evidence taken in pursuance of the provisions contained in this act shall be duly certified to by the officer before whom and by whom the same is taken, and thereupon the same shall be securely sealed up by such officer, and by him transmitted to the clerk of said Court of Claims, in the same manner as now practiced in the said circuit court of the United States, or as required by the rules of practice in said Court of Claims, which shall be done within thirty days next after the taking of the same as aforesaid is completed. Duly-certified copies of any record-papers, other than that of deeds of assignment, or transfers, or licenses, may be used in evidence in any such cause in said court in the same manner and with the same effect as other evidence is used in or by said Court of Claims.

SEC. 10. That if such letters-patent have been renewed or extended by the Commissioner of Patents or by an act of Congress, or if the same have been re-issued either before or after any renewal or extension thereof, the jurisdiction of said Court of Claims, conferred by this act, shall apply to the same; and the right of recovery against said United States as herein provided for the use of the invention so patented, or re-issued, or renewed and extended, shall be under either the original letters-patent or any re-issue thereof, or under any renewed and extended term of the same; and the same, and each and every thereof, may be included in the same petition or bill of complaint, and the compensation for the use of the invention so patented shall be fixed and determined upon the length of time the same has been used in the public service by the direction of either of the Departments, or any officer named in section one of this act.

SEC. 11. That in case of the decease of said inventor and original patentee, or of any such assignee, either before or after the filing of any such petition or bill of complaint as aforesaid, then his administrator or executor, or administratrix or executrix, for the benefit of the heirs and estate of such deceased inventor and patentee, or of such assignee, shall be deemed, and shall be, the rightful and lawful party against said United States for all and every of the purposes mentioned and provided for in this act, and may prosecute the same to final judgment and decree in either or both of said courts; and shall be responsible and accountable to such estate therefor, in the same manner as provided by law in the State where such estate shall be situated at the time of the decease of such inventor and patentee, or assignee.

SEC. 12. That either party aforesaid may appeal to the Supreme Court of said United

States within thirty days next after judgment or final decree shall have been made and ordered by said Court of Claims as hereinbefore provided; such cases, so appealed, to be preferred causes in said court; and if the said judgment or final decree shall not be appealed, or, if appealed, and the said judgment or final decree shall be affirmed by said Supreme Court, then the same shall be certified by the said Court of Claims to the Secretary of the Treasury of said United States in the same manner as now provided by the law in relation to any other judgment of said Court of Claims; and the same, when presented to the Secretary of the Treasury aforesaid, shall have the same effect as now provided by law, and shall thereupon be paid out of any general appropriation in relation to judgments of said Court of Claims or for private claims; and the payment of such judgment shall be in full satisfaction for all claims for compensation for the use of such patented invention or improvements up to the time of the making and entering of such judgment or decree thereon by the said court, and no longer; or such judgment may be paid by the Secretary of the Treasury of said United States out of any money in the said Treasury not otherwise appropriated, with the same effect as though the same had been paid out of any money appropriated for the payment of judgments of said Court of Claims or for private claims.

SEC. 13. That this act shall take effect immediately after its passage and approval.

INFRINGEMENT OF PATENTS.

I have the honor again to advert to the subject of patent-claims set up against this Department for alleged infringements in the productions at the National Armory, and at the several arsenals of construction. The Chief of Ordnance, in his report for the year 1873, gave a succinct statement of the state of those claims at that time. The claims on the Springfield rifle date back to the order of the Secretary of War of July 28, 1866, for the conversion of 50,000 muzzle-loaders to breech-loading arms. The skill and ingenuity of the officers and workmen of the Ordnance Department, brought into active operation previous to that time and continued to the present, has resulted in the production of as perfect a single breech-loading arm as will find its place in modern war. Its mechanism, it is claimed, has touched upon and appropriated in part the best features of several distinct and separate patents, some of which were perfected and re-issued after the work of the Government had begun, and whose owners are now seeking compensation for the use.

The consideration of a patent-case involves a careful weighing of many matters of fact relating to novelty, priority, &c., as well as an appreciation of equivalents and dissimilarities in mechanical structures and contrivances, and the proper application of the principles of patent-law to facts thus found. Where a device stands boldly out as the original type of its class, and the many questions of a character to affect the validity of the patent are in such a case reasonably free from doubt, it is apprehended that it would require but ordinary patent-expert skill to settle with certainty the merits of any question of infringement that might be raised; but where several claimants profess to cover by their patents the same identical device or combination, a proper regard to the several interests involved renders the matter more difficult of determination. An impartial settlement requires, in most cases, the assistance of the highest degree of expert skill and the exercise of the highest order of legal talent in the specialty of patent-law. The law prescribes a judicial method of settlement where private parties only are concerned, but the means of deciding properly between contending patentees and determining the amount of damages sustained by them, or any of them, where the Army workshops are concerned, are not vested in any portion of this Department, nor, indeed, as respects cases wherein the United States are properly the defendants, are they known to be vested in any Department of the Government at the present time.

The methods adopted by some of the claimants, of instituting suits in the United States circuit courts against officers of this Department for the alleged infringements, is onerous to the officers themselves, and can only result, in the event of the success of the suits, in embarrassing such officers in their private means, whereas the Government is the sole beneficiary in the use of the things which are the subject-matters of litigation. A recent opinion of the Attorney-General has inferentially decided that the executive officers of the Government are not authorized to settle the judgments, for past use, rendered in such suits, without authority of Congress to do so. This opinion has been the guide of this Bureau since that time. The officers, therefore, against whom judgments might be rendered would be put to the harassing necessity of securing special legislation for their relief in respect to matters over which they have had little or no power or control.

The indemnity due to public officers who have acted in pursuance of competent authority in the performance of their public duty, or who have in good faith exercised

the discretion vested in them by law, is secured to a certain class of Government officials by general legislation. Collectors and other officers of the revenue are thus secured by section 989, Revised Statutes. It is therein enacted, that when a recovery is had in any suit or proceeding against such officer for any act done by him in the performance of his official duty, and the court certifies that there was probable cause for the act done by him, or that he acted under the direction of the Secretary of his Department, or other proper officer of the Government, no execution shall issue against him, but the amount so recovered shall, upon final judgment, be provided for and paid out of the proper appropriation from the Treasury. *Legislation similar to the foregoing, in favor of the officers of this Department against whom recoveries may be had for infringement of patents in the productions of the armory and arsenals, would be a practicable method of relieving this Bureau of a present embarrassment.*

It is believed, however, that, where several patents are alleged to cover a single complex device, each of these patents should be brought under the adjudication of a common tribunal, where the combined wisdom and experience necessary to the disposal of the whole number of cases could be brought to bear on each particular one in detail. If suits on such a device are brought by the several patentees in widely-separated jurisdictions, there is great liability of undue compensation being awarded to one patentee and inadequate remuneration to another, when the relative importance of the several patents is thereafter taken into account. It is, therefore, a question in the interest of the patentees themselves, as well as of public economy, whether some particular forum should not be named wherein claims of the character here referred to should be exclusively brought. The Court of Claims has denied its jurisdiction in cases of infringement of patent-rights by the Government, because such claims are held to sound in *tort*, and because the jurisdiction of the circuit courts is by law made exclusive in cases of patents. (See Pitcher's case, and Nock's case, 1 C. C. Repts., pp. 7 and 83.) Were it not, therefore, for these limitations upon the jurisdiction of the Court of Claims, this Department might readily refer all cases of alleged infringement for the decision of that tribunal under section 1063 of the Revised Statutes. Claimants before this Bureau for past use are now, however, without a remedy, except by personal actions against the officers of the Ordnance Department, (who have been and are acting under superior authority,) or by a direct application to Congress. As indicating the direction heretofore given by Congress to a complicated patent-case arising out of this Bureau, in order to secure for it the careful legal investigation which its importance demanded, attention is respectfully invited to the joint resolution of June 3, 1864, (13 S. L., p. 588,) referring the claim of William W. Hubbell to the Court of Claims. This claim was founded upon the use by the Government, to a very large extent, of devices covered by the patents of the claimant; and the court was directed to investigate and determine whether the claimant was the original inventor of the particular devices in question, and if he had a just and equitable right to compensation for the same. If so, what amount of compensation he was entitled to receive for the use of the inventions up to the time of adjudication, and for a full and entire transfer of his patents to the United States. This case, therefore, furnishes a precedent for the method of settling this class of cases; and, coupled with the advantages to accrue from the adjudication in a single tribunal of all patents where the United States is defendant, I would respectfully submit it to the wisdom of Congress *whether jurisdiction ought not to be given to the Court of Claims in all cases of the character here explained where the United States is defendant.* I earnestly recommend that some action may be taken at the coming session on this subject, which has engaged the attention of this Bureau for so long a time.

ORDNANCE-OFFICE, WAR DEPARTMENT,

Washington, October 11, 1875.

SIR: I have the honor to submit the propriety of soliciting from the Attorney-General his concurrence in an effort which I request may be made to secure from Congress the passage of an act authorizing this Department, whenever the public interest may demand it, to prosecute in the National Armory and the arsenals of construction the manufacture of articles of ordnance destined for public use in the military service, without regard to any patent-rights granted by the Government, and prescribing a judicial method of awarding compensation from the Treasurer to holders of patents upon their making it to appear in a proper tribunal that their letters-patent, being valid, are the subject of infringement by this Department, and showing the amount of compensation to which they are reasonably entitled.

The reasons which prompt me to make this request are the following:

Upon directions being given by the Secretary of War to this Bureau, any article of ordnance whatever must, by the rules of the military service, be purchased or manufactured in the public workshops of the armory and arsenals, if the appropriations for this branch of the service will permit the expenditure. Where machinery adequate to the production of articles ordered is not on hand, it also has to be purchased or manufactured as above.

It is out of these manufactures by the United States that much difficulty has arisen

to this Bureau during the past few years; difficulties resulting from actual or supposed infringement of patent-rights held by private inventors, or by persons or corporations who have become the assignees of such rights.

Without attempting to enumerate all the instances that have occurred or may occur in this Department, it may be stated generally that few departures from known devices can be made in the Government workshops without originating a demand against the Department for allowance of royalty for infringement of letters-patent. The class of war-materials, like all other classes, is open to all the world for improvement; a not inconsiderable portion of the world avails itself of the opportunity, and this whole field of invention is overlaid with the paper grants of the Government under the laws for promoting the progress of science and the useful arts.

Did a patent granted by the Government convey *per se* an incontestable right to remuneration for any invasion of the same, one element of difficulty would be obviated in the consideration of questions relating to infringement; but, as the granting of a patent or a re-issue by the Patent-Office is a mere ministerial act, not professing to be a warranty of the franchise conferred, the recognition of such act as conclusive in any given case must be made in the face of all the possible infirmities which may inhere in it. That radical and fatal infirmities do exist in numbers of cases, the records of adjudications of patent cases in the courts will amply attest. Where, therefore, controversies are raised between owners of patents in which this Department may be considered as an infringer, it is manifestly not in the province of the Department to settle contending rights, as the judicial machinery necessary to that end is nowhere vested in it. Meanwhile, however, the Department continues the manufacture or use, without the power to decide whose claim before it is the most meritorious.

Nor is there any plain, adequate remedy provided by law whereby claimants can obtain remuneration from the Government. The infringement of a patent has been held to partake of the nature of a *tort* on the part of the individual infringer; it has been so held by the Court of Claims in *Pitcher's case* and *Nock's case*, (1 C. C. Repts., pp. 7 and 83,) and in the case of *Ely vs. Benton*, which was before the United States circuit court for the district of Massachusetts in 1871, the question whether or not the commanding officer of the National Armory was personally answerable in damages to the owner of a patent infringed in the manufactures under his direction at the armory was reserved on division for the decision of the United States Supreme Court. The question was never pressed before the Supreme Court, and may therefore be considered as yet an open one. It is for the settlement of this question, as well as for providing a method of remuneration from the Treasury to meritorious patentees, that legislation is now asked. The United States is the real beneficiary of the acts of its agents at the armory and arsenals, who can only act in obedience to the superior authority of the War Department.

Where manufactures or use by the United States have continued for any length of time without the consent of the holder of a patent, it has been held by the Attorney-General that no award of public moneys as damages can be made to such holder of patent without authority of Congress; the infringement being in the nature of a damage which an executive officer is not authorized to adjudicate upon.

Were there no other difficulties to be encountered in the settlement of these patent cases, the single question of "measure of damages" would take each case out of the jurisdiction of this department.

As before suggested, there is no judicial process under the control of this department by means of which the proper damages to be allowed may be estimated or determined. Between private parties actions for infringement may be either at law or in equity. At law "actual" damages alone are allowed, and these are to be found through the instrumentality of a *jury*, and are subject to be trebled by the judge at his discretion in favor of the party whose right is infringed. And it has been held (16 How., 480,) that "actual damages must be actually proved, and cannot be assumed as a legal inference from any facts which amount not to actual proof of the facts." In equity, besides the profits that may have accrued to the infringer, the complainant is entitled to recover the damages he has sustained, subject to being trebled, as at law, and the court is authorized to assess the damages or cause the same to be assessed. From the judgment or decrees in either form of action appeals are provided in the ordinary course of judicial procedure. A simple glance at these methods of settlement of cases of infringement between individuals, therefore, will show the inability of an executive officer (who is not invested with judicial functions and from whose judgment no judicial appeal in such cases is provided) to settle patent cases wherein the United States is concerned.

In the absence of any better method of disposing of the cases which have accrued in this Bureau, it has been the custom to refer them to the Department of Justice, with the request that an opinion might be expressed upon the validity of the patents, and that a method of settlement might be suggested. In one instance, the papers, after an opinion had been furnished by the Department of Justice, were referred to an officer of Ordnance, familiar with the subject-matter of the patents, for an opinion upon the amount of damages. Some of the cases are still pending in the Department of Justice.

Upon recent reflection I have arrived at the conclusion that the method adopted in these cases is not the best for subserving the individual interests of the claimants and of the Government, and the Department is powerless to afford relief in any case without the action of Congress. As this power has, in any event, to be invoked, I would recommend that general legislation be asked so as to cover all the cases. This can best be done by designating some special tribunal wherein actions may be brought against the Government for alleged infringement in the workshops and in the products of the Ordnance Department. My views in this regard are embraced in the inclosed extract from my annual report of this year, and the measure therein suggested is the one which I would earnestly ask may be submitted to the Attorney-General for his influence and support, if it should commend itself to his judgment.

I have the honor to be, very respectfully, your obedient servant,

S. V. BENÉT,

Brig. Gen., Chief of Ordnance.

The Hon. SECRETARY OF WAR.

H. R. 3481—FORTY-FOURTH CONGRESS, FIRST SESSION.

IN THE HOUSE OF REPRESENTATIVES, MAY 18, 1876.—Read twice, referred to the Committee on Patents, and ordered to be printed.

Mr. DOBBINS, by unanimous consent, introduced the following bill:

A bill extending the jurisdiction of the Court of Claims of the United States, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That if the Secretary of War, or of the Navy, or of the Treasury, or of the Interior Department, or the Postmaster-General, or any other officer of the United States of America, has used, or shall hereafter use, in the public service, any invention upon which the letters-patent of said United States have been issued or re-issued or extended and renewed, whereby, and by means of which, such service has been, or is, improved or benefited, either in the saving of labor or in the reduction of expenses in the management of Government affairs, or if such service has been, is, or shall be, in any other way or manner improved or benefited, the Court of Claims of the United States is now and hereby vested with full and exclusive jurisdiction in and over any and all such cases, the same to be brought into and before said Court of Claims, by a petition or bill of complaint verified and filed in said court, in the manner and for the purposes herein provided; and whose duty shall be to hear, investigate, and determine any and all such cases submitted to said court, upon pleadings and proofs, in the manner herein provided for it to hear, investigate, and determine, and involving the following questions of fact for the consideration and judgment of said court, to wit:

First. The granting and issuing of the letters-patent, set forth by date and number thereof, and described in the petition or bill of complaint filed in said court in the manner substantially as hereinafter provided; and also the validity of such letters-patent, with the same jurisdiction and power that the circuit court of the United States now has over and upon such matter;

Second. The use of the improvements, invention, and letters-patent thereon in the business and service of said United States, and in what department, and for what purpose used, and the duration of that use;

Third. The compensation or sum of money to be paid by said United States, upon the evidence submitted, for such use of the improvements, invention, and letters-patent so applied to the public service; and,

Fourth. The right, title, and ownership of the letters-patent specified in the petition or bill of complaint in the manner aforesaid; and to whom the compensation for such use of invention and letters-patent thereon shall be awarded and paid by said United States.

SEC. 2. That if either of the said several departments have had, have, or shall have in use in the service and business of the United States, any improvements or invention upon which the letters-patent of said United States have been issued, the inventor and original patentee named in the letters-patent, or in any re-issue or any extension and renewal thereof, or any person or persons claiming to be the owner or owners of any interest in such letters-patent by a deed of assignment in writing, duly made and acknowledged before some officer having authority by law to take acknowledgments, and the same of record in the Patent-Office of said United States, the original deed of assignment so made and recorded, or a duly certified copy thereof, being produced and made a part of the said petition or bill of complaint, may make the said United States defendant, and thus and thereby give the said Court of Claims the jurisdiction contained in section one of this act upon the filing of a duly-verified petition

or bill of complaint as herein provided in said court, and serving the Attorney-General with a duly-certified copy of the same so filed by the petitioner or complainant. The said petition or bill of complaint shall be in writing, and shall be the same, or substantially the same, as a bill in equity in the circuit court of the United States filed against an infringement of any letters-patent in that court, and shall set forth therein all the matters of fact which said Court of Claims is, by this act, required to pass upon and to determine at the final hearing of the case so referred or brought to the jurisdiction of said court, to which the Attorney-General of said United States shall make answer within thirty days, or such time as said court may fix upon, next after service upon him of a duly-certified copy of the said petition or bill so made and filed in the said Court of Claims; and upon the filing of such answer in said court, the issues shall be fully joined and the case ready for proofs, to be taken in the manner herein provided.

SEC. 3. That every such petition or bill of complaint shall be signed and sworn to by the petitioner or complainant aforesaid before a United States commissioner, or a commissioner of said Court of Claims, or before a judge of a court of record having a seal; and the same shall also be signed by the attorney and counsel of record for the petitioner or complainant in said Court of Claims; and, in like manner, the answer of the Government of said United States thereto shall be duly signed by the Attorney-General aforesaid in his official capacity. And after the filing of said answer in the manner hereinbefore stated and provided, eight days' notice, exclusive of the day of the service thereof, shall be given to said Attorney-General, by said petitioner or by the petitioner's attorney of record in said Court of Claims, of the time and place for the taking of such oral and documentary proofs as are intended to be used in such cause in support of the petition or bill of complaint so made and filed in said court, after which the said Attorney-General shall, in like manner, give notice of the time and place, and shall proceed to take such proofs as he may deem necessary in support of the answer so made and filed by him in the office of the clerk of said court. The proofs or evidence named, as aforesaid, may be taken by and before a United States commissioner, or a commissioner of said Court of Claims, or an examiner in equity in the United States circuit court, in the usual manner, and under the same rules as now practiced in patent causes in the said circuit court. After the direct and rebuttal proofs upon each side in any such cause have been taken and filed in the office of the clerk of said Court of Claims, such cause shall be deemed to be ready for argument and final hearing; and thereupon the same shall be put upon the current calendar or trial-docket of said court for such hearing and argument upon the evidence so taken and submitted by both the parties named in the petition or bill of complaint, or by either party thereto, upon the default of the other, or refusal to take proofs as herein provided; and the same shall then be proceeded with by that court to final judgment and decree in the usual manner established by said court with reference to the making and entering of final decrees and judgments.

SEC. 4. That the said Court of Claims shall fix upon and decree the rate of compensation, and the sum or amount of money to which the aforesaid inventor and original patentee, or his heirs, or assigns, or legal representative, may, upon the proofs, be entitled to have and to receive in the manner claimed in and by such petition or bill of complaint so made and filed in said court, and up to the time of adjudication by said Court of Claims; all of which shall be heard and determined upon the evidence taken and submitted to said court in the manner substantially as hereinbefore provided.

SEC. 5. That any one of the judges of said Court of Claims may, upon the written application of either party named as aforesaid, regulate, by an order in writing, duly signed by them, the time, place, and the manner for the taking of proofs or evidence to be used upon either or both sides in any cause brought within this act into said court in the manner aforesaid, so as to prevent unnecessary expense or delay by either party aforesaid; but due notice thereof shall first be given to the adverse party, and said application may be heard in open court, or at the chambers of the judge before whom said application is made; and in like manner, upon the written application of either party, said court may determine upon the time for the trial or final hearing and argument of any such cause so brought into said court.

SEC. 6. That if any person or persons claiming to own the whole or a part interest of the right and title to the invention and letters-patent thereon, by a good and valid deed of an assignment, made, executed, and of record in the manner hereinbefore made and provided, or otherwise claiming any interest therein, if there be any, who are not joined in such petition or bill aforesaid, shall be made party defendants therein with the said United States, and brought into said Court of Claims, or required therein to appear, upon such notice or order as the said court shall determine and direct; and thereupon the said Court of Claims shall have the same jurisdiction of each and every matter thereof as it has herein and hereby with reference to said inventor and original patentee, and shall hear and determine the same in the manner and with the same force and effect as hereinbefore provided.

SEC. 7. That if in any cause made and filed in the said Court of Claims, in the man-

ner as provided for by this act, anybody shall have a good, sufficient, and valid deed of assignment and transfer of the invention and letters-patent named in the petition or bill of complaint aforesaid, or of any part thereof, and if the same be of record in the United States Patent-Office, as by law required, the same, if required, or a duly-certified copy thereof, shall be produced in evidence, in said Court of Claims, by the person or persons holding and owning it, for the inspection and opinion and judgment of said court thereon; and thereupon the said court shall have full jurisdiction of the same, and of all matters appertaining thereto, and may, upon evidence duly taken, as hereinbefore provided, proceed to hear such cause, and to determine each and every matter that may be at issue or involved in or by the evidence so taken and presented concerning such deed of assignment, and to whom any judgment that may be rendered, decreed, or ordered to be entered against said United States shall be paid; and in case an appeal be taken in the manner provided for in and by section twelve of this act, to the Supreme Court of the said United States, then that court may, in like manner, determine such matter and to whom the said United States shall pay any judgment so made, decreed, and entered by said Court of Claims. But if no such deed of assignment or a duly-certified copy thereof be offered and received in evidence in such cause before the closing of the direct or redirect evidence upon either side therein, then such cause shall be proceeded with, and heard and determined by said court in the manner hereinbefore made and provided. Any person who may have any knowledge or evidence concerning the matters involved in the petition or bill aforesaid, or in the answer thereto, may be examined as a witness, by and in behalf of the parties to such suit, or either of them.

SEC. 8. That any proofs or evidence taken in pursuance of the provisions contained in this act shall be duly certified to by the officer before whom and by whom the same is taken; and thereupon the same shall be securely sealed up by such officer, and by him transmitted to the clerk of said Court of Claims, in the same manner as now practiced in the said circuit court of the United States, or as required by the rules of practice in said Court of Claims, which shall be done within thirty days next after the taking of the same as aforesaid is completed. Duly-certified copies of any record-papers, other than that of deeds of assignment, or transfers, or licenses, may be used in evidence in any such cause in said court in the same manner and with the same effect as other evidence is used in or by said Court of Claims.

SEC. 9. That if such letters-patent have been renewed or extended by the Commissioner of Patents or by an act of Congress, or if the same have been re-issued either before or after any renewal or extension thereof, the jurisdiction of said Court of Claims, conferred by this act, shall apply to the same; and the right of recovery against said United States as herein provided for the use of the invention so patented, or re-issued, or renewed and extended, shall be under either the original letters-patent or any re-issue thereof, or under any renewed and extended term of the same; and the same, and each and every thereof, may be included in the same petition or bill of complaint, and the compensation for the use of the invention so patented shall be fixed and determined upon the length of time the same has been used in the public service by the direction of either of the Departments, or any officer named in section one of this act.

SEC. 10. That in case of the decease of said inventor and original patentee, or of any such assignee, either before or after the filing of any such petition or bill of complaint as aforesaid, then his administrator or executor, or administratrix or executrix, for the benefit of the heirs and estate of such deceased inventor and patentee, or of such assignee, shall be deemed, and shall be, the rightful and lawful party against said United States for all and every of the purposes mentioned and provided for in this act, and may prosecute the same to final judgment and decree in either or both of said courts, and shall be responsible and accountable to such estate therefor, in the same manner as provided by law in the State where such estate shall be situated at the time of the decease of such inventor and patentee or assignee.

SEC. 11. That each and every claim cognizable by the said court under this act shall be forever barred unless the petition or bill of complaint setting forth a statement of the case and claim, as herein required, be filed in said court within three years after the cause of action first accrued: *Provided*, That any such claim which has accrued prior to the passage of this act shall not be barred if the petition or bill of complaint be filed in said court within two years after the passage of this act, and not more than six years after the expiration of the term of years for which the letters-patent were granted, or re-issued, or extended and renewed.

SEC. 12. That either party aforesaid may appeal to the Supreme Court of said United States within ninety days next after judgment or final decree shall have been made and ordered by said Court of Claims as hereinbefore provided; such cases so appealed to be preferred causes in said court; and if the said judgment or final decree shall not be appealed, or, if appealed, and the said judgment or final decree shall be affirmed by said Supreme Court, then the same shall be certified by the said Court of Claims to the Secretary of the Treasury of said United States in the same manner as now provided by the law in relation to any other judgment of said Court of Claims; and the

same, when presented to the Secretary of the Treasury aforesaid, shall have the same effect as now provided by law, and shall thereupon be paid out of any general appropriation in relation to judgments of said Court of Claims or for private claims; and the payment of such judgment shall be in full satisfaction for all claims for compensation for the use of such patented invention or improvements up to the time of the making and entering of such judgment or decree thereon by said court, and no longer; or such judgment may be paid by the Secretary of the Treasury of said United States out of any money in the said Treasury not otherwise appropriated, with the same effect as though the same had been paid out of any money appropriated for the payment of judgments of said Court of Claims or for private claims.

WAR DEPARTMENT,
Washington City, October 16, 1875.

SIR: I have the honor to transmit for your views the inclosed letter from the Chief of Ordnance, dated the 4th instant, suggesting the propriety of an effort to secure from Congress necessary legislation under which proper compensation may be awarded to holders of patents used by the United States in the manufacture of war material.

I beg to inquire your views as to the expediency of uniting with this Department in recommending the subject to the favorable consideration of Congress at the ensuing session.

Very respectfully, your obedient servant,

WM. W. BELKNAP,
Secretary of War.

The Hon. ATTORNEY-GENERAL.

DEPARTMENT OF JUSTICE,
Washington, October 19, 1875.

SIR: I have the honor to acknowledge the receipt of your letter of the 16th instant, inclosing a communication addressed to you on the 11th by General S. V. Benét, Chief of Ordnance, together with an extract from his annual report for this year.

The subject suggested by these communications is that of the propriety of an effort to secure from Congress necessary legislation by which compensation may be awarded to holders of patents used by the United States in the manufacture of war material. I concur fully with the views of General Benét, concerning the necessity of such legislation, and will consider further on the subject, and communicate any suggestions which seem to me to be right and proper concerning the legislation to be asked for.

Very respectfully, your obedient servant,

EDWARDS PIERREPONT,
Attorney-General.

Hon. W. W. BELKNAP,
Secretary of War.

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